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October 12, 2006

RECORDATION NO. 20312-FF FILED

OCT 12 '06 -4 2 8 PM

SURFACE TRANSPORTATION BOARD

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: The Kansas City Southern Railway Company
Substitution of Equipment

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the Partial Termination of Lease Agreement (Southern Capital Trust II 2002-1), dated as of October 6, 2006, a secondary document as defined in the Surface Transportation Board's Rules for the Recordation of Documents. The enclosed document relates to the Assignment and Assumption and Amended and Restated Master Lease Agreement (Southern Capital Trust II 2002-1) dated as of June 25, 2002 between Lessor and Lessee, a memorandum or copy of which was recorded with the Surface Transportation Board on June 25, 2002 at 10:16 A.M. under recordation number 20312-V.

The names and addresses of the parties to the enclosed document are as follows:

Lessee: The Kansas City Southern Railway Company
427 West 12th Street
Kansas City, Missouri 64105
Attention: Senior Vice President-Finance & Treasurer

Lessor: SCC SPV II LLC
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001
Attention: Corporate Trust Administration

The equipment covered as of the date hereof by the enclosed document consists of 3 SD40-3 Locomotives bearing the reporting marks KCS 604, KCS 3139 and KCS 3150.

CHAPMAN AND CUTLER LLP

A short summary of the document to appear in the index follows:

Partial Termination of Lease Agreement (Southern Capital Trust II 2002-1), dated as of October 6, 2006, between SCC SPV II LLC, as Lessor and The Kansas City Southern Railway Company, as Lessee.

A fee of thirty-four dollars (\$34.00) is enclosed. Please time and date stamp the enclosed copy of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Robert Alvord, Esq.
Alvord and Alvord
1050 Seventeenth Street, N.W.
Suite 301
Washington, D.C. 20036

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-2991).

Sincerely,

CHAPMAN AND CUTLER LLP

By Michael D. Robson
Michael D. Robson

Enclosures

OCT 12 '06

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**PARTIAL TERMINATION OF LEASE AGREEMENT
(SOUTHERN CAPITAL TRUST II 2002-1)**

SURFACE TRANSPORTATION BOARD

This Partial Termination of Lease Agreement (Southern Capital Trust II 2002-1) is made and entered into as of October 6, 2006 by and between SCC SPV II LLC, a Delaware limited liability company ("*Lessor*") and The Kansas City Southern Railway Company, a Missouri corporation ("*Lessee*").

1. Lessor has heretofore leased to Lessee those certain locomotives set forth on Exhibit A attached hereto pursuant to the Assignment and Assumption and Amended and Restated Master Lease Agreement (Southern Capital Trust II 2002-1) dated as of June 25, 2002 (as amended, the "*Lease*"), as supplemented, a memorandum or copy of which was duly recorded with the Surface Transportation Board on June 25, 2002 at 10:16 A.M. under Recordation Number 20312-V. Capitalized terms used herein without definition have the meanings assigned to them in the Lease.


2. The Lease is terminated effective as of the date hereof with respect to the locomotives set forth on Exhibit A attached hereto which have suffered a Casualty Occurrence or deemed Casualty Occurrence under the Lease.

3. This Partial Termination of Lease Agreement shall neither impair nor terminate the rights and obligations of the parties under the Lease which expressly survive this partial termination.

Dated this _____ day of October, 2006.

SCC SPV II LLC

BY: Wilmington Trust Company, not in its
individual capacity, but solely as the
Independent Manager

By 

Name: Mark Cowchok
Title: Relationship Manager
Authorized Signer

THE KANSAS CITY SOUTHERN RAILWAY
COMPANY

By 

Name: Paul J. Weyandt
Title: Senior Vice President-Finance &
Treasurer

STATE OF Delaware)
COUNTY OF Newcastle) SS.:

On this, the 2 day of October, 2006, before me, a Notary Public in and for said County and State, personally appeared Mark Couchak, who being by me duly sworn, says that (s)he is the Relationship Mgr of WILMINGTON TRUST COMPANY, that said instrument was signed on October 2, 2006 on behalf of said limited liability company by authority of its managers or members, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Jacqueline Solone
Name: Jacqueline Solone
Notary Public JACQUELINE SOLONE
My Commission Expires Feb. 4, 2007 Notary Public - State of Delaware
Residing in _____ My Comm. Expires Feb. 4, 2007

STATE OF MISSOURI)
COUNTY OF JACKSON) SS.:

On this ____ day of September, 2006, before me personally appeared Paul J. Weyandt to me personally known, who being by me duly sworn, says that he is the Senior Vice President-Finance & Treasurer of THE KANSAS CITY SOUTHERN RAILWAY COMPANY, that said instrument was signed on September ____, 2006, on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public -
My Commission Expires:
Residing in

(SEAL)

STATE OF _____)
) SS.:
COUNTY OF _____)

On this, the ____ day of October, 2006, before me, a Notary Public in and for said County and State, personally appeared _____, who being by me duly sworn, says that (s)he is the _____ of SCC SPV II LLC, that said instrument was signed on October ____, 2006 on behalf of said limited liability company by authority of its managers or members, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

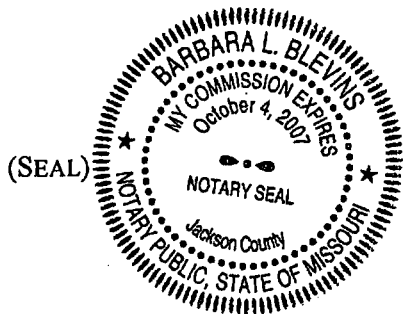
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF MISSOURI)
) SS.:
COUNTY OF JACKSON)

On this 29th day of September, 2006, before me personally appeared Paul J. Weyandt to me personally known, who being by me duly sworn, says that he is the Senior Vice President-Finance & Treasurer of THE KANSAS CITY SOUTHERN RAILWAY COMPANY, that said instrument was signed on September 29, 2006, on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Barbara L. Blevins
Name:
Notary Public –
My Commission Expires:
Residing in Missouri

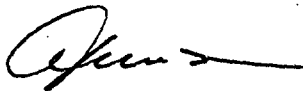
EXHIBIT A

EQUIPMENT	QUANTITY	REPORTING MARKS
SD40-3 Locomotives	3	KCS 604 KCS 3139 KCS 3150

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 10/11/06



Robert W. Alvord